

EUCALYPTUS GROVE HOMEOWNERS ASSOCIATION
BOARD OF DIRECTORS MEETING MINUTES
THURSDAY, FEBRUARY 20TH, 2025 (6PM)
In person 7610 Hollister Meeting Room & Via Zoom

1. CALL BOARD MEETING TO ORDER – CONFIRMATION OF QUORUM

Meeting was called to order at: 6:00pm

Board Members present

Craig Nicholson - President
Joe Mora - Vice President
Cathy Leyva - Secretary
Colin Smith - Member-at-Large

**Managers & Employees
present:**

Joseph Ferguson, of Ferguson
Property Management
Julia Ambat, Scribe

Homeowners present:

Valerie & Tom Doty #219
Tamara Simmons #127
Annette Winter # 260
Ed Chen #256
Kimberly Ray #135
Mark Wu #356
Chris Hall #351
Margaret Granger #134

2. BOARD RESIGNATION - APPOINTMENT OF INTERIM REPLACEMENT DIRECTOR

On Feb.10, Tamara resigned her position as Director. Craig thanked Tamara for her years of service and moved to appoint Tom Doty as interim Director. Joe seconded, and the motion was unanimously approved. Craig then nominated Tom to serve as Treasurer. Joe seconded. The nomination was unanimously approved.

3. REQUEST BY OWNERS IN ATTENDANCE / VIA CORRESPONDENCE / PHONE –

Open Forum (unless it's an emergency, it'll be put on next month's agenda); Bd to consider request & possibly vote. Each unit has 3 minutes to address their concern to the Board.

Chris Hall: thanked Enviroscaping for cleaning the slope next to the school; noted her observation of fewer problems this month (such as burnt-out lights) attributing that to Grove's caretaker's good work; requested the replacement of the gas enclosure door at 7630; and reminded the Board of the desire to limit speakers' time, offering to supply a timer.

Ed Chen: raised concerns about the leak at 7634 discussed in item 6d. He reported moisture detected on one wall and requested a decision on responsibility, as well as an investigation into potential mold remediation if necessary. He asked to be included in any mold inspections or remediation conducted for other units.

Mark Wu: reiterated Ed's concerns regarding the leak and mold investigation.

Unit #111: a request was made to temporarily place a trash bin in the carport of Unit #111 for 1-2 weeks to facilitate a cleanout due to the owner being in hospice. Joe moved to approve the request, Cathy seconded, and the motion was approved.

4. APPROVAL OF PRIOR MEETING MINUTES (12/5/24 exec, 12/12/24, 12/16/24, 12/20/24, 1/09/25)

December 5th:

2024.12.05 Special EGHOA Meeting

Joe moved to approve the minutes; Colin seconded. This was unanimously approved.

2024.12.05 Special EGHOA Executive Session

Craig moved to approve the minutes; Joe seconded. This was unanimously approved.

December 12th:

2024.12.12 EGHOA Meeting

Joe moved to approve the minutes; Colin seconded. This was unanimously approved.

2024.12.12 EGHOA Executive Session

Joe moved to approve the minutes; Colin seconded. This was unanimously approved.



December 16th:

2024.12.16 Special EGHOA Meeting

Joe moved to approve the minutes; Colin seconded. This was unanimously approved.

2024.12.16 Special EGHOA Executive Session

Joe moved to approve the minutes; Colin seconded. This was unanimously approved.

December 20th:

2024.12.20 Special EGHOA Meeting

Craig moved to approve the minutes; Colin seconded. This was unanimously approved.

2024.12.20 Special EGHOA Executive Session

Craig moved to approve the minutes; Colin seconded. This was unanimously approved.

January 9th, 2025:

2025.01.09 EGHOA REGULAR Session Meeting Minutes

Craig moved to approve the minutes; Joe seconded. This was unanimously approved.

(There wasn't time for an executive session).

5. TREASURER, OFFICERS & COMMITTEES

- a. To conform to the CA Civil Code and prepare a correct, valid financial statement that is properly reconciled to the annual budget, this required the Board adopt an amended accrual-based 2025 annual budget. Craig moved to amend the 2025 annual budget as required; Joe seconded and motion passed unanimously.
- b. Reading of the Treasurer's Report. See attached Financial Summary & Balance Sheet
Operating Expenses are about .9% under budget thru end of last month on an accrual basis.
 - II. Paid from reserves: Beachside \$2,308.38 – Replaced the dry rotted siding at the staircase going up to unit #344. Pre-primed siding and redwood trim pulled from stock.
 - III. Suggested Motion: Move to approve the Treasurer's report as read and confirm the Board has reviewed all financial information each month as required by Civil Code Section 5500 including, but not limited to, the Association's check register, monthly general ledger, and delinquent assessment receivable reports. Furthermore, as required by Civil Code Section 5380, the Board has approved all transfers of funds to and from the Association's bank accounts, and with any two authorized signers on the Association's bank accounts, transfer of funds from reserves in an amount necessary to pay for expenditures as otherwise approved by the Board.

Joseph reviewed the financial reports, noting that there are now three financial accounts: separate Operating and Reserve accounts, plus an additional operating money-market to save for anticipated large expense items (insurance premiums & estimated taxes), which is earning some interest (2.8%).

The budget format has shifted from the largely cash-basis used by Bartlein to an accrual basis, as required by the CA Civil Code. Craig moved to accept the treasurer's report as read, along with the suggested motion. Joe seconded, and the motion was unanimously approved.

- b. Landscape recommendations & proposals: tree work; mulch;
Joe provided a landscaping report, noting that he is monitoring drainage areas to prevent backups or flooding due to recent rain. He is also working on the railroad cleanup and has requested an additional 100 yards of mulch and the cost of its distribution, totalling \$8,500. Craig moved to approve the proposal for 100 yards of mulch to cover exposed drip lines, suppress weed growth, and retain soil moisture. Colin seconded, and the motion was unanimously approved, with Joe abstaining.

Additionally, Joe proposed relocating the smoking area near 7610 to the bike rack area by the parking lot, as the smoke is affecting the units in 7610, noting if approved that there would be no cost to the association for the move. Craig moved to approve the relocation, and Joseph will send an email to notify owners, allowing them time to retrieve their bikes. Tom seconded the motion. The motion was unanimously approved, with Joe abstaining.



c. Committees (Grounds, EV Solar, Architectural, Website, etc.)

Cathy requested reinstating a landscaping committee, which had been in place previously. She proposed including an invitation to join in the upcoming newsletter to encourage owner participation.

d. Vendor evaluations

Ashley (pool monitor) was commended for working with Tropical Pools for them to replace the spa filters more frequently and improve the water quality. The HOA recently received the annual health permit and Ashley laminated and posted it for the association.

Craig thanked Jim (caretaker) for his ongoing efforts with various owner requests, ensuring the lights are functioning and working with Joseph on access card & clicker distribution.

Craig expressed gratitude to Julia (scribe) for her extra work with special meetings, the annual meeting, the website, and the February issue of the Newsletter.

Craig commended Joe and Enviroscaping for their efforts during the rain and helping Joseph with local site issues.

Cathy as Secretary requested to take over editing the newsletter, as she had done previously during her time on the board, with Julia acting as her backup. Craig moved to appoint Cathy as the editor of the newsletter, Joe seconded, and the motion was unanimously approved.

Regarding Big Green, their service has consistently not met the standards set by the previous vendor, Master Clean, or the terms of their contract. Craig moved to issue a 30-day notice and to explore having Master Clean return as the new vendor. Cathy seconded, and the motion was unanimously approved.

PRIORITY ITEMS NEED TO BE DISCUSSED / RESOLVED:

Old Business: 5 #a, b, d, e

New Business: 6 #a, b, c, d, e

6.. OLD BUSINESS (Board to consider, review and possibly vote on...)

a. Updating the governing documents: Draft #3 received from atty; requested amendment. New attorney to evaluate alternative CC&R provisions.

The board discussed hiring a new firm to handle part of this stalled project. Craig reached out to Jim Smith, to review the alternative provisions the board had repeatedly requested from Adams-Stirling and were most concerned about, evaluating them based on the civil code, existing CC&Rs, and building plans. Jim, a former HOA attorney for the Grove, agreed to conduct this targeted review. The minimum retainer is \$1,375 for 2.5 hours of work, and Jim expressed some initial confidence his review could be expedited.

Craig moved to retain Jim solely for the purpose of evaluating these provisions, plus others not addressed in the 3rd draft. Joe seconded the motion. Joseph inquired whether Adams Stirling would be willing to represent the document if an outside attorney edited it, and the consensus was that they likely would not. The votes were as follows: Tom, Cathy, Jim, and Craig voted in favor, while Colin voted against. The motion passed.

b. 7626 - ins. claim: Rev'd \$457,742.38; Submitted on 10/17/24 for allowable recoverable depreciation and supplemental disbursement from carrier. Status update from adjuster

The insurance adjuster approved added reimbursement, but the check has not yet been received. Last update was from James (Bartlein) on 2/13 requesting a status update. Joseph will follow up directly on this matter.

c. Storage room at 7610: remediation status; Shipping container continue needed?

Blue Sky completed mold remediation, and Beachside handled the repairs. The storage room is now ready for vendor use. Beachside began clearing out the shipping container. The shipping container will be removed once the materials are relocated to the store room, saving the association \$1,200 annually.

d. Repairs: roof; dry rot; painting; gutter cleaning

A light by 7626/7624 is malfunctioning and trips the breaker when turned on. Enviroscaping will dig up the area so Beachside can perform the necessary electrical work.



For roof and chimney repair at 7634, it appears the flashing and siding around the chimney need repair due to storm damage, and additional work may need to be done. If so, it may be best to also replace the entire roof at this time, if warranted. Proposals for leak repair and roof replacement are being obtained, and will be considered. All roofs are a reserve expenditure, and 7634 was scheduled for replacement in 2031.

e. Approval and/or ratification of proposals & invoices (if any); Master Clean; Hollister & Brace

Master Clean submitted an updated proposal for cleaning services that does not include the added fees charged by Big Green. Complaints against Big Green were their failure to properly clean sauna & trash bins, or restock dispensers, etc. Cathy motioned to accept the Master Clean proposal for \$1,430/month to replace Big Green at the end of March. Colin seconded. The motion was unanimously approved.

Beachside \$24,790.85 - Invoice from December for gas line repair at 7630. Craig moved to ratify. Joe seconded. This was unanimously approved.

Blue Sky \$5,245.32 - Invoice for mold remediation in the storage room. Craig moved to ratify. Colin seconded. This was unanimously approved.

Clear View \$4,895 - Invoice for gutter cleaning. Craig moved to ratify. Joe seconded. This was unanimously approved.

Beachside \$2,308.38 - Invoice for siding repair at 7630. Craig moved to ratify. Colin seconded. This was unanimously approved.

Enviroscaping \$3,253.35 - Invoice for gas line repair assistance at 7630. Craig moved to ratify. Cathy seconded. The motion passed with Joe abstaining.

Enviroscaping \$4,660 - Invoice for sidewalk repair and replacement near 7632. Craig moved to ratify. Cathy seconded. The motion passed with Joe abstaining.

Enviroscaping \$2,765 - Invoice for power washing on stairways. Craig moved to ratify. Tom seconded. The motion passed with Joe abstaining.

Mark Crane Tree \$15,000 - Invoice for tree removal at 7640 and trimming of trees overhanging the railroad near 7628. Craig moved to ratify. Colin seconded. This was unanimously approved.

f. Access control updates to gates, gym, & pool. Survey of active cards and clickers issued.
Discussion tabled.

g. Pool facilities & sauna; other related issues; handicap seating

Recently, there have been a lot of cigarette butts outside the fence by the jacuzzi, and it is considered a safety issue. The Grounds Committee will discuss further, but the best remedy was to enforce the no smoking policy.

Cathy moved to approve the purchase of the Elkay ADA Wall Mount Single Level Soft Sides Fountain to replace the one at the pool house for \$1,019. Joe seconded. This was unanimously approved.

h. signs: address, speed limit, no trespassing, pool area, etc. Spa rules sign replacement

Cathy volunteered to work on replacing the spa rules sign to ensure it contains accurate information. Craig had a rough draft and showed the Caution sign required. Craig moved to rescind a past authorization for the large pool house sign. Cathy moved to table the discussion. Colin seconded. The motion was unanimously approved.

i. EV charging stations

Discussion tabled.

j. Inspection of elevated walkways & balconies by Focused Group; need for follow up.

Discussion tabled.

k. Ins claim re: former owner #264 (Jauchen)

Discussion tabled.



7. NEW BUSINESS (Board to consider, review and possibly vote on...)

a. Frontier upgrade to 100% Fiber up to 7 Gig

Colin requested approval to contact Frontier to explore what an upgrade to Fiber would look like. Cathy moved to authorize Colin to work with Frontier to investigate the potential upgrade and identify any issues with existing Cox cable lines as well. Joe seconded. This was unanimously approved.

b. Amended 2025 annual budget for consideration

As previously noted, the approved annual 2025 budget needed to be amended to reflect an accrual rather than a cash basis. The modified budget is virtually identical, except for changes in revenue, interest, and taxes. Interest is considered revenue, while taxes are not an allowable reserve expenditure but are an operating expense. Additionally, employee salaries (pool monitor, caretaker, and scribe) were broken out individually. There will be no net changes to the monthly fee, overall expense budget, or contributions to reserves from assessments; only the layout of the line items is being adjusted to comply with proper accounting standards.

Craig moved to adopt the annual budget as presented. Joe seconded. Cathy asked for clarification on the difference between income, expenses and the total budget as expressed on the sheet. Craig clarified that total revenue must match the total expense budget in a nonprofit. The motion was unanimously approved.

c. Window replacement responsibility and review previous decision regarding 7636

Annette provided the new board members with a packet outlining the history of previous discussions on this issue. Cathy moved to table the discussion until the new board members have had time to review the material. Joe seconded. This was unanimously approved.

d. Leak and roof repair at 7634 (unit 127: Simmons)

Discussed in executive session.

e. Reimbursement claim from unit 229 (Schaff); 7626 tree fall incident

Discussion tabled due to the absence of Schaff at the meeting.

f. Rekeying storage & record room doors. Master (vendor) key verification; key control log

All vendors were previously issued the equivalent of master keys; however, the storage and record room doors have now been rekeyed for added security and are no longer included on the master vendor key.

g. Replacement of stair treads and brackets

Discussion tabled.

h. Other items to be put on next month's agenda

- Code of conduct
- Who creates the agenda?
- Internet for the gym

8. EXECUTIVE SESSION

If needed: (Executive Session may only be used to discuss litigation, contracts with 3rd parties, member discipline, personnel, upon an owner's request to discuss payment of assessments, foreclosures, disability requests, legal advice, censure of a director, or mental illness of a member); levying fine

- Late payers through end of last month (balances of \$500 or more):
- Internal Dispute Resolution / Levy fines / Bankruptcy / Foreclosure / Small Claims / Write off

9. ADJOURNMENT at 9:25pm

Next Meeting: Thursday March 13th, 2025, 6PM, 7610 Hollister Board room & Via Zoom

Ferguson Management Group (805) 348-4078
27 W. Anapamu St., Suite 170 Santa Barbara, CA 93101
Email: TheGrove@fmgsb.com

